

SECRET

I. REPORTING PERIOD

I July - 31 July 1957

NOTE: See instructions on reverse side.

2. CRYPTONYM		3. DIVISION OR BRANCH		4. COUNTRY		5. APPROVAL	BY	DATE
A. PROJECT	B. SUB-PROJECT			TARGET	BASE	ORIGINAL	ADPC	
AERODYNAMIC	SR/PP			Ukraine	Germany	LAST RENEWAL	DDP	
6. NAME OF CASE OFFICER		ROOM NO.	EXTENSION	SIGNATURE OF CASE OFFICER				
[]		2702 J	3848	[]			[]	
7. TYPE OF PROJECT		X PP	PM	FI				
8. PERSONNEL		AUTHORIZED		ASSIGNED	9. FUNDS FOR CURRENT FISCAL YEAR			
STAFF AGENT	T/O	11		11	A. CURRENT PROJ. CEIL.	B. CUM. ALLOTMENT	C. EST. CUM. OBLIGATIONS	[]
CONTRACT	AGENTS				[]	* *	[]	[]

10.

* Allotments pending congressional action

Action Reported

a) By Headquarters

1. This project has been transferred to the jurisdiction of SR/3. The administrative matters of the project have been taken over by the new case officer, []. PP Guidance of the project still remains the responsibility of [] until such time as a new PP officer will be appointed by SR/3 and introduced to AECASSOWARY II by [].

2. The reorganization of the AERODYNAMIC Project along the new administrative plan has been amended as a result of discussions and agreements between SR/3, SR/PP, SR/BP, and the Office of the Comptroller. Under this plan, the entire responsibility for running the project in the U.S. and overseas is transferred to AEBEEHIVE in New York. All other projects utilizing AECASSOWARY I will be requested to coordinate their activities with the new administrative plan and to fund their operations through AEBEEHIVE.

3. The operations of AEBEEHIVE have continued as usual. The "Information Bulletin" No. 6 has been completed and distributed. The first issue, Volume I, No. I of the Prolog Magazine in the English language has been completed and is ready for distribution. The books scheduled for distribution to the Soviets abroad have been requested and the tapes for PYREX and Radio Nacional are being produced and broadcast as usual.

4. During this period, the principal agent, AECASSOWARY II has been subject to a personal assault which resulted in bodily injuries; steps have been taken to safeguard him personally and the interest of the project in the future.

5. The reduced budget for AECASSOWARY I, introduced as of July 1, and the problems of personnel disposal involved in the budgetary reduction, were taken care of by providing a special fund out of which the people dismissed stateside will be paid three months salary; those dismissed overseas will be paid one month salary.

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CENTRAL INTELLIGENCE AGENCY
SOURCES/METHODS/EXEMPTION 3B2B
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

REMARKS (Any important detail not listed in the instructions)

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PROJECT STATUS REPORT

6. In connection with the budgetary reduction and introduction of the new administrative plan, the Office of the Comptroller has raised the question of strengthening the cover arrangement. As a result, [redacted] has been requested to take action through the cover branch in trying to organize private support for AECASSOWARY I that could be at the same time helpful in strengthening the cover arrangements for funding of AEBEEHIVE.

b) By the Field

The budgetary reduction affecting the overseas operations, the dismissal of personnel, and other problems connected with the entire operations through AEBEEHIVE, necessitates better coordination between the overseas group and AEBEEHIVE in New York. For this reason, AECASSOWARY 3, responsible for the conduct of operations overseas and second in command of AECASSOWARY I, has been requested to come to the USA, at our expense, for a discussion of these problems.

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